

Into the wired blue yonder

Neil Jacobsohn

IT'S BECOME INCREASINGLY uncomfortable to be a traditional newspaper and magazine publisher over recent years. It's not just that competition has hotbedded up, or that the market is tougher. It's not just difficult economic circumstances or the entry of new international players. It's that someone has moved the entire damn goalposts!

At the heart of the shift is technology, but this is not a technology issue — rather it's an enabling issue.

The historical parallel is the invention of the printing press. Until then, literacy had been the preserve of a religious and social elite. But with mass printing came the start of mass literacy and the industrial revolution. In the same way, without the technology that has turned virtually every desktop computer into a mini printing press, the information revolution could not happen.

It was one thing when inexpensive desktop publishing systems running on standard PCs were able to deliver reasonably sophisticated publications. Distribution remained the key and distribution world-wide remained largely in the hands of the major media groups.

And then along came the on-ramp to the information superhighway, in the form of the Internet — and suddenly everyone was a publisher. Suddenly, electronic upstarts were talking about revered newspapers and magazines as "dead tree editions" and "cobweb publications".

Suddenly smart youngsters with earrings and rude T-shirts were predicting the demise of traditional newspapers and magazines. And equally suddenly, the growth world-wide of users of the Internet and the proprietary on-line services such as CompuServe and America-on-Line was so phenomenal that even the traditional publishers were swept away on the tide. Electronic publishing — and the Internet in particular — became the cover story on *Time*, on *Newsweek*, on *Business Week*, on *Fortune* magazine. Our safe, secure world was changing.

From inside the publishing industry, it was both bewildering and scary. The cyber-kids heralding our death spoke a language most publishers only half-understood. Indeed, five minutes study of the industry revealed that it was largely a world of vapourware, of vision more than reality. No-one really knew — and no-one really knows today — where the information highway was leading, or what it really was.

Even so, what a seductive vision! Unlimited volumes of information, infinitely searchable, including text, animation, sound, graphics and video,

delivered live, up to the minute, to educated, literate and technologically-aware consumers. A publisher's dreams come true.

But the newspaper industry values its cynicism, and in the face of this techno-onslaught the industry was initially slow to respond. It was the new-age publishers — from Microsoft at the top end to those scruffy cyber-nerds who seemed so contemptuous of our traditions — who took the lead in producing the first content for the superhighway.

From inside, our torpor seemed understandable. Journalism is not exactly a stranger to its own brand of arrogance. Newspapermen and women have a special impudence, believing no-one understands their markets as they do.

Suddenly these conventional wisdoms were challenged. Some in the industry feigned indifference, some expressed fear. But a handful started realising we were not seeing a fad, but a genuine shift in the way people were consuming information. The first lane of the information superhighway had opened for traffic.

Slowly, into the thick skulls of editors and newspaper managers like myself, crept the awareness that our traditional role as the core provider of information to the community was facing a challenge as never before. We'd fought the immediacy of radio, but had held our ground on the basis of radio's transient nature. Television had rocked us with its visual impact, but we had claimed the high ground of interpretation and analysis.

But here was a medium that combined the immediacy of radio with the visual impact of TV and could offer infinitely more analytical depth than any newspaper. And worse, it was reasonably cheap, easily accessible and the barriers to entry were so low as to be almost non-existent.

It dawned soon that this was the most wonderful publishing opportunity, rather than a threat. Publishing visionaries argued that if we were to defend and maintain our role as primary providers of information to our communities, we had better embrace, understand and master the new technologies.

Thus there grew, within Times Media Ltd as an example, the realisation that we were not putters of ink on paper. Rather, we were creators and vendors of content, and increasingly the medium by which we delivered this content would become less important.

Certainly it was high time to re-examine our attitudes towards our customers. In the new business world, for example, there are increasing numbers of people who want and need

market-moving information as it happens. Our response? To tell our readers to wait until the newspaper thumps onto their driveway at 6.30am next day — carrying yesterday's news.

Not for a moment is this a suggestion that print is dead or even ill. Print will be with us for decades to come. Electronic publishing does offer immense advantages, but as many disadvantages. It's complicated, it's slow, it requires costly, complex equipment, and its very vastness intimidates users. Print publications, on the other hand, despite obvious weaknesses such as lack of immediacy, are cheap, easily accessible, simple to navigate, immensely portable, and familiar to almost everyone on earth.

But that does not mean that electronic publishing cannot develop in parallel to print.

In embracing this thought, TML came to appreciate the value of the massive information resources we hold — resources that we traditionally used once and then threw away — or even worse, that we do not use at all. How much information do we publish on an average day compared to what we discard?

With this realisation grew the key concept — that of context — which underpins my contention that publishers who recognise the sea-change taking place can become the leading information providers on the information highway.

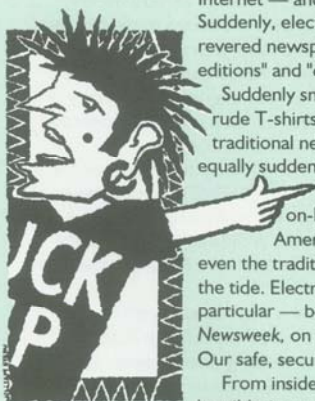
Paradoxically, unlimited access to information does not mean knowledge or wisdom. Facts in isolation remain just that. Further, the very vastness of the Internet makes it an intimidating place, and its lack of context often leads to a lack of credibility.

It's here that opportunity knocks for traditional publishers. If we're doing our job properly, our readers know and trust us. We can provide the credibility often missing from on-line information. In essence, good newspapers can provide the context to the information tide.

Editors, hopefully skilled, plough through the fields of facts and, hopefully, publish the wheat and discard the chaff. Experienced journalists take decisions about what news is significant. Those become the major news stories, while matters of less importance are cut to a few paragraphs or discarded entirely.

It is this placing of information in context that is the key skill of newspapering, and this is not a skill that can lightly be emulated by the new-age publishers.

Now imagine if we combine the skilled, sensitive provision of context with the ability of the microchip to scan and search vast quantities of information. Imagine converting a newspaper from a



two-dimensional news-sheet into a multidimensional information resource, placing events and people in historical perspective.

And of course, it's happening already, as anyone who regularly surfs the Net will know. It is newspaper publishers who are creating the leading information sites on the World Wide Web - not by simply converting newspapers into an electronic format, but by skilfully blending the best of their

traditional craft with the best of bleeding edge technology.

Visit the *Electronic Telegraph* for example (<http://www.telegraph.co.uk>) to see how the news archives are used to add depth and context to breaking events. Look into the *Wall Street Journal* Website (<http://update.wsj.com>) to see how the Briefing Book is used to provide real-time, on-line profiles of news-breaking companies.

And visit TML's first site, the *Financial Mail* Internet edition (FMI) (<http://www.atd.co.za/fm>) to see if we're keeping our promise to add value.

Are these isolated examples? As I write this story in Johannesburg in mid-October, there are, according to today's *Newslink* news directory site (<http://www.newslink.org/menu.html>) no fewer than 496 newspapers on the Web, 369 broadcast sites, 508 magazines and 467 special news sites (newsletters, news agencies and the like). The fact is that newspaper publishers are now aggressively fighting for their rightful place on the information highway.

But at the end of the day, economics is the realpolitik of publishing, as it is of any industry. Is there money to be made to sustain the new journalism?

I believe the answer lies in this quotation from the August 1995 edition of an American industry newsletter, *Interactive Publishing Alert*: "In a few short months, the on-line advertising market has exploded from almost non-existent to practically ubiquitous."

Equally compelling is the outcome of a poll of the top 200 advertisers in the US by *Interad Monthly*. As of July 1995, only one in 10 had an on-line advertising presence. But by end-1995, almost half intended to be advertising on the Internet. Now there's a business opportunity if ever one has slapped me through the face.

And think about the potential power of on-line advertising as a medium. The link is one-to-one between the advertiser and customer. It's like telling the reader to get up out of the chair, to hop into the car and to drive down to the advertiser's premises for a visit.

It's interactive. The reader has to participate, to call for or reject information. And it's vast. The advertiser can offer virtually limitless quantities of information.

Of course, it's not that simple. This isn't good, old fashioned "in yer face" advertising. If the material is not compelling, relevant, entertaining, amusing or fun, the reader will simply bale out. So it is not only publishing that is facing a revolution. The advertising industry too needs to redefine its focus.

But there seems little doubt there is a market out there. Just think about the people who are perusing the Net. By definition they're literate. If they're able to afford a decent computer system and access to the Net, or if they work in a place with access, by definition they're likely to have reasonable disposable income, or at least they're at a university or college, which makes them equally desirable from an advertiser's viewpoint.

It's this that is leading advertisers on *ESPN SportsZone* (<http://ESPN.SportsZone.com>) to pay \$100 000 per advertising site. Or \$50 000 on the *Wall Street Journal* site. Or £25 000 for an *Electronic Telegraph* advertising spot.

And it is this that has enabled TML to successfully sell sufficient South African corporate advertising on its pioneer *Financial Mail* site to cover its costs and thus open the door to a range of new TML Internet titles in the coming year. Even on the southern tip of Africa, the future is here.

Neil Jacobsohn is General Manager: Electronic Media of Times Media Limited. He is tasked with pathfinding the publishing future for TML. His job is to identify new media opportunities and to turn them into paying businesses. A journalist by background, Neil moved from the Deputy Editor's chair of Business Day into TML group management in 1988.

Some of our biggest reasons for believing in big business are some of our smallest.



A few of the business leaders of tomorrow at play.

If our children are to inherit a country worth inheriting, a financially strong country, big business becomes more important than ever before.

For one thing, like other small countries with big business, it is big business that enables South Africa to compete in the international markets and be a big earner of foreign exchange.

For another, it is big business that provides a stable base from which medium and small business can grow and expand on

a scale significant enough to become major contributors to the wealth- and job-creation processes of the new South Africa.

And that is really what a healthy economy is all about, a mix of big, medium and small businesses operating internationally and internally off a strong, competitive base.

Big business and the South African economy. Inseparable if the new South Africa is to have an economy worthy of generations to come.



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